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DA 17-1231

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DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL OF ALPHEUS COMMUNICATIONS, LLC AND ALPHEUS DATA SERVICES, L.L.C. TO LOGIX ACQUISITION COMPANY, LLC

WC Docket No. 17-165

By this Public Notice, the Wireline Competition Bureau (Bureau) grants the application filed by LOGIX Acquisition Company, LLC (LAC), Gores AC Holdings, LLC (Gores AC), Alpheus Communications, LLC (Alpheus Communications), and Alpheus Data Services, L.L.C. (ADS) (Alpheus Communications and ADS, together Licensees, and collectively with LAC and Gores AC, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission's rules, requesting approval for the transfer of control of the Licensees to LAC.¹

Together, Applicants state that Licensees provide competitive local exchange carrier (LEC) services in Texas and have approximately 2,800 route miles of intercity fiber backbone interconnecting Dallas, Austin, San Antonio, and Houston as well as approximately 3,200 route miles of metro fiber within these markets. LAC, a Delaware limited liability company, does not itself provide telecommunications services but is a holding company and indirect owner of Logix Communications, LP, a Texas limited partnership that provides competitive LEC services in Kansas, Missouri, Oklahoma, and Texas.

On June 26, 2017, the Bureau released a Public Notice requesting comment on the Application.² On July 7, 2017, the U.S. Department of Justice, with the concurrence of the U.S. Department of Defense and the U.S. Department of Homeland Security (collectively, the Agencies), filed a letter requesting that the Commission defer action on this proceeding while the Agencies completed their review of any national security, law enforcement, and public safety issues.³ We deferred action in response to the

¹ See 47 U.S.C. § 214; 47 CFR § 63.03; Domestic Section 214 Application Filed for the Transfer of Control of Alpheus Communications, LLC and Alpheus Data Services, L.L.C. to LOGIX Acquisition Company, LLC, WC Docket No. 17-165 (filed Jun. 12, 2017) (Application). On June 23, 2017, Applicants filed a supplement to their domestic section 214 application. Letter from Brian D. Weimer, Counsel to LOGIX Acquisition Company, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-165 (filed Jun. 23, 2017). Applicants also filed an application for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Domestic Section 214 Application Filed for the Transfer of Control of Alpheus Communications, LLC and Alpheus Data Services, L.L.C. to Logix Acquisition Company, LLC, Public Notice, 32 FCC Rcd 5097 (WCB 2017).

³ Letter from Bermel R. Paz, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-165 (filed July 7, 2017).

Agencies' request.⁴ On December 20, 2017, the Agencies notified the Bureau that they withdraw their request to defer action.⁵ They state that, based on the information provided to them by the Applicants and their analysis of potential national security, law enforcement, and public safety issues, they have no objection to the Application.⁶

No comments were filed in opposition to a grant of the Application, and the Bureau finds, upon consideration of the record, that grant of the Application will serve the public interest, convenience, and necessity. Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the grant is effective upon release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Greg Kwan, Wireline Competition Bureau, Competition Policy Division, (202) 418-1191.

⁴ Notice of Removal of Domestic Section 214 Application from Streamlined Treatment, Public Notice, 32 FCC Rcd 5649 (WCB 2017).

⁵ Letter from S. Elisabeth Poteat, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-165 (filed Dec. 20, 2017).

⁶ *Id*. at 1.

⁷ 47 CFR § 63.03(b); see Applications Filed by Qwest Communications and CenturyTel, Inc. d/b/a CenturyLink for Consent to Transfer Control, Memorandum Opinion and Order, 26 FCC Rcd 4194, 4202, para. 15 (2011) (referring to Applicants' overlapping competitive LEC operations and stating "[r]ather than harming competition, we believe that the combination of the Applicants' facilities in these markets could result in a stronger competitive LEC and enhance the merged company's ability to compete against the incumbent LEC."); Applications Filed for the Transfer of Control of tw telecom inc. to Level 3 Communications, Inc., Memorandum Opinion and Order, 29 FCC Rcd 12842, 12847, para. 14 (WCB/IB 2014) (finding that the combination of two competitive LECs with largely complimentary networks could be a stronger competitor to incumbent LECs and large national providers, thereby resulting in benefits for consumers).